

## REMARKS

In the Specification, Equations F3, F5, F7, F8 and F10 have been amended to correct minor editorial errors.

Claims 15-21 remain in this application. Claims 8-14 have been canceled via the present amendment. New claims 15-21 substantially correspond, respectively, to canceled claims 8-14, and include minor amendments to more precisely reflect the disclosed invention. Applicants further note that the Examiner has acknowledged that claim 14 is directed to allowable subject matter. Claim 14 has been redrafted as new claim 21.

The Examiner rejected, in particular, independent claims 8 and 11 of the present application (redrafted as new claims 15 and 18) under 35 U.S.C. §102(e) as being anticipated by Bayart et al. (U.S. Patent No. 5,815,299). For the following reasons, Applicants respectfully submit that independent claims 15 and 18 of the present application are not anticipated by the Bayart reference and respectfully request that the rejection be withdrawn.

Specifically, it must be noted that the Bayart reference teaches the equalizing of power levels of channels... both received and transmitted. See, for example, Col. 2, lines 8-10. Conversely, the claimed invention seeks to achieve the same quality for all channels or the same power levels at a receive end, whereby the power levels at the transmitting end are, in fact, different.

Bayart discloses to calculate an average power level of the received channels as well as the difference between the lowest channel and the average. See, for example, Col. 3, lines 58-60. Moreover, while the Examiner stated that Bayart discloses to calculate a dynamic range, Bayart only calculates a difference between the average power level and the lowest power level. See, for example, Col. 7, lines 61-67. Conversely, according to the claimed invention, the maximum value and the minimum values are used to calculate the dynamic range and the claimed compression factor.

In addition, the equalization process of Bayart is stopped when the difference between the average power level and the lowest power level is less than an end of operation threshold value and, in turn, resumes as soon as the difference exceeds a restart threshold value. Conversely, the compression process via the present invention is started when a maximum permissible dynamic range at the transmission end is exceeded. In sum, pursuant to the claimed invention, a dynamic

range is calculated using the highest and lowest power and, in addition, calculates a compression factor for all signals depending on the admissible maximum power and the admissible maximum dynamic range. The same compression factor is used for calculating the new power levels for all signals by multiplying the difference between the signal power and the average power with the compression factor. As a result, higher power signals are reduced and lower power signals are enlarged.

In light of the above, Applicants respectfully submit that new independent claims 15 and 18 of the present application, as well as claims 16-17 and 19-21 which respectfully depend therefrom, are patentable over the art of record. Accordingly, Applicants respectfully request that a timely Notice of Allowance be issued in this case.

It is further submitted that no fees are due in connection with this response at this time. If any fees are due in connection with this application as a whole, the office is hereby authorized to deduct said fees from Deposit Account No.: 02-1818. If such a deduction is made, please indicate the Attorney Docket Number (0112740-643) on the account statement.

Respectfully submitted,

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